Key Success Factors for Collaborative Innovation in Silicon Valley

This master thesis will facilitate for large multinational technology companies when designing their value proposition toward collaboration partners in Silicon Valley. The thesis focuses on collaboration for achieving new innovations in a specific ecosystem.

Given that collaboration is vital for innovation, a first difficult step is to find a suitable collaboration partner. A company that is looking for a collaboration partner needs to create a suitable value proposition that focuses on the benefits for the potential partner. These needs are complex to understand and might be affected by the surroundings and context of the collaboration. Furthermore, it is probably not enough to know only *what* the collaboration partner is asking for, but also *how* to cope with it and make it available.

The findings conclude that the Silicon Valley ecosystem has six main characteristics. The characteristics themselves are not unique but it is instead the critical mass of each individual aspect, and the mixture of them, that characterizes the Silicon Valley ecosystem. In the creation of a suitable value proposition toward collaboration partners, there are many needs that are essential. Large multinational technology companies are well aware of the needs, but some of them are regarded as complex and challenging to cope with in an optimal manner. Companies in Silicon Valley agree that collaboration with external partners is vital. A large multinational technology company should focus on offering financial incentives such as licensing deals or incentives for increased sales, as well as corporate synergy, as a part of their value proposition toward external partners.

The findings could be used by large multinational technology companies who want to establish an organization in Silicon Valley that utilizes the local ecosystem by collaborating with partners. The authors saw that companies struggled to establish this, why this study help companies to focus on appropriate factors when setting up a functionality for collaborative innovation in Silicon Valley.

This explorative master thesis started by generating an understanding about the Silicon Valley ecosystem and its characteristics. Through multiple interviews, the empirical data collection apprehended the needs of different players in a collaboration with a large multinational technology company. Deeper interviews, aiming to present a broad range of insights, were conducted to study large multinational technology companies' thoughts and ways of working to fulfill the players' needs. A brief literature review was used to complement the findings.

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